

Yellow Cab Company of New London & Groton, Inc.
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January 26, 2021

To: Members of the Transportation Committee
RE: Senate Bill 261, Section 8

Yellow Cab Company of New London & Groton wishes to strongly oppose Senate Bill 261, Section 8, which would increase the minimum insurance liability coverage required for taxicabs from 100,000 to 500,000.

It has been an annual challenge to find insurance companies willing to write taxicab insurance at 100,000 let alone 500,000. When this bill was first noticed we utilized several insurance brokers attempting to find an insurance company, writing in Connecticut, that would write a policy at 500,000 and could not find one at any price.

Prior to Covid-19 devastating almost all businesses in Connecticut, the taxicab industry has been struggling as TNC's came into vogue with far less regulatory requirements made of them. With less regulatory requirements and oversight they have benefitted financially. Add to that the ever-increasing technological services, with much lower overhead costs and less regulatory oversight, providing grocery delivery services, pharmacy delivery services, restaurant and other food vendors delivery services and you can imagine the impact on our taxicab business.

With the advent of Covid-19, tourism in southeastern Connecticut is down. Taxicab business generated from hotels, casinos, restaurants, train, ferry and bus stations, as well as to and from Mystic Seaport have declined dramatically. Far less people are using our taxicabs for medical appointments and other outward-bound purposes. Taxicab operators, with one or two cabs, are hard pressed to stay in business and many have gone out of business. This is not just a state specific problem, it is nationwide.

If this bill goes into effect, we fear that the few insurance companies currently offering taxicab liability insurance may withdraw from writing in Connecticut leaving us in quite a dilemma. I have already been forewarned of higher rates coming on all lines of insurance due to the losses to the insurance industry due to Covid-19 causing small businesses to go out of business.

Please remove Section 8 from Senate Bill 261.

Kim E. Curtin
President

